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ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application for Approval of Agreement }
 dated April 26, 1961, between }
 CALIFORNIA ELECTRIC POWER COMPANY and }
 CALNEV PIPELINE CO., for service near }
 Cajon Summit, California. }

Application No. 43448
 (Filed May 28, 1961)

OPINION AND ORDER

California Electric Power Company requests an order authorizing it to carry out the terms and conditions of a written agreement dated April 26, 1961, with Calnev Pipeline Co. Said agreement relates to Calnev's request for applicant to furnish electric service to its telemetering station southwest of Victorville, California, near Cajon Summit. A copy of the agreement is attached to the application as Exhibit A.

The telemetering system is to be used in conjunction with a pipeline system Calnev proposes to operate for the transmission of jet and other fuels from the City of Colton, California to Las Vegas, Nevada.

Proposed Agreement

It will be necessary for applicant to extend its existing Victorville distribution facilities approximately two and one-third miles at an estimated construction cost of \$9,546.00. The connected load of Calnev at this installation will be 500 watts with an estimated monthly consumption of 250 kilowatt-hours.

The agreement provides among other things:

1. Calnev will pay to applicant a special monthly minimum charge of \$119.33, which is 1½ percent of \$9,546.00, the estimated construction cost, and is the same charge as that set forth in applicant's existing Rule 2-I covering charges for added or special facilities. Services will be rendered at rates of applicant's filed Schedule A-4.1, General Service, with the exception of the special monthly minimum charge.

2. Applicant will waive the requirement of the special monthly charge whenever the ratio of cost to annual revenue, exclusive of the special monthly charge, equals, or is less than, 5 to 1.

3. If Calnev, within five years from the date applicant is ready to render service, ceases to take service at the installation and applicant removes all of the facilities, customer will reimburse applicant the sum of \$8,376, said sum being applicant's estimated installation and removal cost less estimated salvage value. If less than all of the facilities are removed in this period Calnev will pay the utility an equitable portion of this sum.

4. The agreement further provides that it shall not become effective until authorized by this Commission and at all times it shall be subject to such changes or modifications by this Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.

Applicant states that because of the nature of the territory served by this installation, there is little likelihood that within any reasonable refund period other customers will be connected to the extension, so that there probably will be no opportunity for refunds to Calnev of a line extension deposit in accordance with existing Rule No. 15, Line Extensions. Under applicant's Rule No. 15, Line

Extensions, Calnev would be required to advance an extension deposit of \$16,380 because of the small load involved. Applicant feels such a deposit would be unfair to Calnev.

Because of these special circumstances and pursuant to Clause E-7 of applicant's Rule No. 15 as now in effect, applicant and Calnev have agreed upon a special monthly minimum charge to assure applicant sufficient income to cover the overhead costs of the investment and facilities.

Applicant states that under the conditions obtaining it believes that the terms of the agreement are fair, just, and reasonable to applicant and customer; and that full performance by the parties will not constitute a burden upon applicant's other electric customers and will be in the public interest.

Supplemental Information

In its letter of transmittal, dated May 26, 1961, the applicant furnished data supporting the 1½ percent monthly minimum charge and these data appear reasonable. This letter is hereby made a part of the record and marked Exhibit No. 1.

Findings and Conclusions

The Commission has considered the request of applicant and finds that the application should be granted and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED that:

1. California Electric Power Company is authorized to carry out the terms and conditions of the written agreement, dated April 26, 1961, with the Calnev Pipeline Co., and to render the service described therein under the terms, charges, and conditions stated therein.

2. California Electric Power Company shall file with the Commission a statement showing the date electric service is first

supplied under said agreement and shall file a statement promptly after termination showing the date when the agreement is terminated.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 25th day of

July, 1961.

[Signature] President
[Signature]
[Signature]
[Signature] Commissioners